



NEWS

Federal Communications Commission
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PRESS STATEMENT OF FCC CHAIRMAN MICHAEL K. POWELL

Re: Federal-State Joint Conference on Regulatory Accounting Issues

I am pleased that the Commission has moved quickly to address the regulatory accounting requirements that apply to telecommunications carriers. Today's action will provide an important forum for state and federal regulators to ensure that data collection and accounting requirements continue to support our shared goals under the Communications Act.

Recently, before the Senate Commerce, Science, and Transportation Committee, I announced that it would be prudent for the Commission to proceed cautiously on the Commission's regulatory accounting proceeding given recent troubling disclosures by some telecommunications carriers. Coupled with my more recent proposal to put an immediate moratorium on further action in this proceeding, the establishment of a Federal-State Joint Conference on regulatory accounting issues puts in place an effective means for examining the Commission's regulatory accounting and reporting requirements. Its mission is straightforward--to ensure that our regulatory and accounting reporting requirements are adequate to protect consumers and carry out our regulatory responsibilities under the Communications Act.

If we are to achieve the goals of the Communications Act, it is critically important to clearly define our responsibilities in this area. As telecommunications regulators, we are charged with a responsibility different than that of securities regulators. *Regulatory* accounting data and related information filed by telecommunications carriers is used by federal and state telecommunications policymakers to fulfill various responsibilities, such as determining interstate access charges, evaluating federal-state jurisdictional separations, setting rates for unbundled network elements and calculating universal service support. The Commission's prior efforts in this area have focused on consolidating reporting requirements that were unnecessary or which reflected a changed environment in the area of competition policy, broadband deployment and universal service. The establishment of a joint conference expands our efforts by providing a forum for state and federal policymakers to coordinate their efforts to ensure that regulatory accounting information is adequate and truthful. It is my hope that the Joint Conference will engage in a thorough analysis of individual accounting requirements to ensure that information captured in regulated accounts is both necessary and sufficient for our regulatory purposes.

I commend my state colleagues for their work in this area, and I look forward to working with them and my fellow FCC Commissioners to fulfill a common goal--ensuring the adequacy of regulatory accounting data and related information filed by carriers so that we can fulfill our regulatory responsibilities and promote a competitive telecommunications marketplace.